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DEPARTMENT OF COMMERCE

International Trade Administration

(A-580-868, A-201-841)

Large Residential Washers from the Republic of Korea and Mexico: Initiation of Antidumping Duty Investigations

AGENCY: Import Administration, International Trade Administration, Department of Commerce

EFFECTIVE DATE: (Insert date of publication in the Federal Register.)

FOR FURTHER INFORMATION CONTACT: David Goldberger (Mexico) or Holly Phelps (Republic of Korea), AD/CVD Operations, Office 2, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-0656, respectively.

SUPPLEMENTARY INFORMATION:

The Petitions

On December 30, 2011, the Department of Commerce (“the Department”) received antidumping duty petitions concerning imports of large residential washers (washing machines) from the Republic of Korea (“Korea”) and Mexico filed in proper form by Whirlpool Corporation (“the petitioner”), a domestic producer of washing machines. See Large Residential Washers from the Republic of Korea and Mexico; Antidumping and Countervailing Duty Petitions (collectively, “the petitions”). On January 5, 2012, the Department issued questionnaires regarding the petitions to the petitioner. The petitioner responded to the Department’s request for information in the First Supplement to the AD/CVD Petitions, dated January 9, 2012 (First Supplement to the AD/CVD Petitions). On January 9, 2012, the

Department requested additional information from the petitioner. The petitioner responded to the Department's request for additional information in the Second Supplement to the AD/CVD Petitions, dated January 11, 2012 (Second Supplement to the AD/CVD Petitions).

In accordance with section 732(b) of the Tariff Act of 1930, as amended ("the Act"), the petitioner alleges that imports of washing machines from Korea and Mexico are being, or are likely to be, sold in the United States at less than fair value, within the meaning of section 731 of the Act, and that such imports materially injure, or threaten material injury to, an industry in the United States.

The Department finds that the petitioner filed these petitions on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(C) of the Act, and it has demonstrated sufficient industry support with respect to the investigations that it is requesting the Department to initiate (see "Determination of Industry Support for the Petitions" below).

Scope of Investigations

The products covered by these investigations are washing machines from Korea and Mexico. For a full description of the scope of the investigations, please see the "Scope of the Investigations," in Appendix I of this notice.

Comments on Scope of Investigations

During our review of the petitions, we discussed the scope with the petitioner to ensure that it is an accurate reflection of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the regulations (See Antidumping Duties; Countervailing Duties; Final Rule, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department

encourages all interested parties to submit such comments by February 8, 2012, 20 calendar days from the date of signature of this notice. All comments must be filed on the records of the Korea and Mexico antidumping duty investigations as well as the simultaneously initiated Korea countervailing duty investigation (C-580-869). All comments and submissions to the Department must be filed electronically using Import Administration's Antidumping Countervailing Duty Centralized Electronic Service System (IA ACCESS).¹ An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by the time and date noted above. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with the Import Administration's APO/Dockets Unit, Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the deadline noted above.

Comments on Product Characteristics for Antidumping Duty Questionnaires

We are requesting comments from interested parties regarding the appropriate physical characteristics of washing machines to be reported in response to the Department's antidumping questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to more accurately report the relevant costs of production, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate listing of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as 1) general product characteristics

¹ See <http://www.gpo.gov/fdsys/pkg/FR-2011-07-06/pdf/2011-16352.pdf> for details of the Department's Electronic Filing Requirements, which went into effect on August 5, 2011. Information on help using IAACCESS can be found at <https://iaaccess.trade.gov/help.aspx> and a handbook can be found at <https://iaaccess.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

and 2) the product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, while there may be some physical product characteristics utilized by manufacturers to describe washing machines, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in product matching. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the antidumping duty questionnaires, we must receive comments at the above-referenced address by February 8, 2012. Additionally, rebuttal comments must be received by February 15, 2012. All comments must be filed on the records of both the Korea and Mexico antidumping duty investigations. All comments and submissions to the Department must be filed electronically using IA ACCESS, as referenced above.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the

industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the industry.

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (“ITC”), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001), citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff’d 865 F.2d 240 (Fed. Cir. 1989).

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of domestic like product distinct from the scope of the investigations. Based on our analysis of the

information submitted on the record, we have determined that washing machines constitute a single domestic like product and we have analyzed industry support in terms of that domestic like product. For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Large Residential Washers from the Republic of Korea (“Korea AD Initiation Checklist”) and Antidumping Duty Investigation Initiation Checklist: Large Residential Washers from Mexico (“Mexico AD Initiation Checklist”), at Attachment II, Analysis of Industry Support for the Petitions Covering Large Residential Washers, on file electronically via IA ACCESS in the Central Records Unit, Room 7046, of the main Department of Commerce building.

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the petitions with reference to the domestic like product as defined in the “Scope of Investigations” section above. To establish industry support, the petitioner provided its shipments of the domestic like product in 2010, and compared its shipments to the estimated total shipments of the domestic like product for the entire domestic industry. See Volume I of the petitions, at 10-14; Volume II of the petitions, at Exhibits 2-3, 5-8, and 9; First Supplement to the AD/CVD Petitions, at 4-8 and Exhibits A-C; and Second Supplement to the AD/CVD Petitions, at 4-5 and Exhibits Q-R. Because total industry production data for the domestic like product for 2010 is not reasonably available and the petitioner has established that shipments are a reasonable proxy for production data, we have relied upon the shipment data provided by the petitioner for purposes of measuring industry support. For further discussion, see Korea AD Initiation Checklist and Mexico AD Initiation Checklist, at Attachment II.

Our review of the data provided in the petitions, supplemental submissions, and other

information readily available to the Department indicates that the petitioner has established industry support. First, the petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (e.g., polling). See section 732(c)(4)(D) of the Act, Korea AD Initiation Checklist, and Mexico AD Initiation Checklist, at Attachment II. Second, the domestic producers have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers who support the petitions account for at least 25 percent of the total production of the domestic like product. See Korea AD Initiation Checklist and Mexico AD Initiation Checklist, at Attachment II. Finally, the domestic producers have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petitions. Accordingly, the Department determines that the petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act. See id.

The Department finds that the petitioner filed the petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support with respect to the antidumping duty investigations that it is requesting the Department initiate. See id.

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject

merchandise sold at less than normal value (“NV”). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.

The petitioner contends that the industry’s injured condition is illustrated by reduced market share, reduced shipments, underselling and price depression or suppression, a decline in financial performance, lost sales and revenue, and an increase in the volume of imports and import penetration. See Volume I of the petitions, at 1-6 and 156-181; Volume II of the petitions, at Exhibits 1-4, 9, 33-38, and 49; and First Supplement to the AD/CVD Petitions at 8-13 and Exhibits C-L. We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by information reasonably available to the petitioner and meet the statutory requirements for initiation. See Korea AD Initiation Checklist and Mexico AD Initiation Checklist, at Attachment III: Analysis of Allegations and Evidence of Material Injury and Causation for the Petitions Covering Large Residential Washers from the Republic of Korea and Mexico.

Period of Investigations

The period of investigation (“POI”) is October 1, 2010, through September 30, 2011, for both Korea and Mexico. See 19 CFR 351.204(b)(1).

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which the Department has based its decision to initiate investigations with respect to Korea and Mexico. The sources of, and adjustments to, the data relating to U.S. price and NV are discussed in greater detail in the Korea AD Initiation Checklist and the Mexico AD Initiation Checklist.

Korea

U.S. Price

The petitioner provided three U.S. prices based on average model-specific retail prices obtained from a market survey database. These prices were adjusted to exclude the retailer markup, as well as discounts and rebates, based on the petitioner's experience in, and knowledge of, the market. Originally, the petitioner deducted international freight based on U.S. Customs and Border Protection ("CBP") data from U.S. price for both price-to-price comparisons and price-to-constructed value (CV) comparisons. It subsequently revised these comparisons to remove the deduction for international freight from U.S. price. However, because it is more accurate for price-to-price comparisons to deduct international freight expenses from the U.S. price, we revised the price-to-price margin calculations to deduct international freight. See Korea AD Initiation Checklist.

Normal Value

The petitioner provided three home market prices based on a survey of retail prices in Korea. These prices were adjusted to exclude the retailer markup, as well as discounts and rebates, based on the petitioner's experience in, and knowledge of, the market. The petitioner further adjusted home market price by deducting Korean valued added tax ("VAT") and other taxes. It made no other adjustments to home market price. See Korea AD Initiation Checklist.

Mexico

U.S. Price

The petitioner provided two U.S. prices based on average model-specific retail prices obtained from a market survey database. These prices were adjusted to exclude the retailer markup, as well as discounts and rebates, based on the petitioner's experience in, and knowledge

of, the market. Originally, the petitioner deducted international freight based on CBP data from U.S price for both price-to-price comparisons and price-to-CV comparisons. It subsequently revised these comparisons to remove the deduction for international freight from U.S. price. However, because it is more accurate for price-to-price comparisons to deduct international freight expenses from the U.S. price, we revised the price-to-price margin calculations to deduct international freight. See Mexico AD Initiation Checklist.

Normal Value

The petitioner provided two home market prices based on retail prices available in Mexico. These prices were adjusted to exclude the retailer markup, as well as discounts and rebates, based on the petitioner's experience in, and knowledge of, the market. The petitioner further adjusted home market price by deducting Mexican VAT. It made no other adjustments to home market price. See Mexico AD Initiation Checklist.

Sales-Below-Cost Allegations

The petitioner provided information demonstrating reasonable grounds to believe or suspect that sales of large residential washing machines in the Korean and Mexican markets were made at prices below the fully-absorbed cost of production ("COP"), within the meaning of section 773(b) of the Act, and requested that the Department conduct a country-wide sales-below-cost investigation. The Statement of Administrative Action ("SAA"), submitted to the Congress in connection with the interpretation and application of the Uruguay Round Agreements Act, states that an allegation of sales below COP need not be specific to individual exporters or producers. See SAA, H.R. Doc. No. 103-316 at 833 (1994). The SAA states that "Commerce will consider allegations of below-cost sales in the aggregate for a foreign country,

just as Commerce currently considers allegations of sales at less than fair value on a country-wide basis for purposes of initiating an antidumping investigation.” SAA at 833.

Further, the SAA provides that section 773(b)(2)(A) of the Act retains the requirement that the Department have “reasonable grounds to believe or suspect” that below-cost sales have occurred before initiating such an investigation. Reasonable grounds exist when an interested party provides specific factual information on costs and prices, observed or constructed, indicating that sales in the foreign market in question are at below-cost prices. Id.

Korea

Cost of Production

Pursuant to section 773(b)(3) of the Act, COP consists of the cost of manufacturing (“COM”); selling, general and administrative (“SG&A”) expenses; financial expenses; and packing expenses. The petitioner relied on its own production experience to calculate the raw material, packing, and freight costs included in the calculation of COM. The petitioner adjusted these inputs to account for known differences between U.S. and Korean prices and for differences in weights and technologies between the petitioner’s washing machine models and those of the Korean producers’ washing machine models sold in the comparison market and the United States. Inbound freight costs associated with procuring material inputs were calculated based on the petitioner’s own experience adjusted for differences in weight between the washing machine models used to calculate COP/CV and the Korean models.

The petitioner relied on its own labor costs, adjusted for known differences between the U.S. and Korean hourly compensation rates for electrical equipment, appliance, and component manufacturing in 2007, as reported by the U.S. Bureau of Labor Statistics. The petitioner relied

on its own experience to determine the per-unit factory overhead costs (exclusive of labor) associated with the production of washing machines.

The petitioner stated that the washing machine manufacturing processes in Korea are very similar to its own manufacturing processes, and therefore it is reasonable to estimate the Korean producers' usage rates based on the usage rates experienced by a U.S. washing machine producer. See Volume I of the petitions, at 21.

To determine SG&A expense rates, the petitioner relied on the fiscal year (FY) 2010 unconsolidated financial statements of two Korean producers of washing machines. The petitioner relied on the FY 2010 consolidated financial statements of the same two Korean producers of washing machines to determine the financial expense rates. See Korean Initiation Checklist for further discussion.

Based upon a comparison of the prices of the foreign like product in the home market to the calculated COP of the most comparable product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Normal Value Based on Constructed Value

Because it alleged sales below cost, pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioner calculated NV based on CV. The petitioner calculated CV using the same average COM, SG&A, financial expense, and packing figures used to compute the COP. The petitioner relied on the same 2010 unconsolidated financial statements used as the basis for the SG&A rates to calculate profit rates. Because one of the producers did not incur a profit, the petitioner did not include profit in the calculation of CV for that producer's washing machine

model. We revised petitioner's calculation of the profit rate for the second Korean washing machine producer to exclude those income and expense items not included in the petitioner's calculation of that producer's COP. See Korean Initiation Checklist.

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of washing machines from Korea are being, or are likely to be, sold in the United States at less than fair value. Based on a comparison of U.S. price to home-market price, as discussed above, the estimated dumping margins range from 31.03 percent to 77.52 percent. Based on a comparison of U.S. price to CV, as discussed above, the estimated dumping margins are 63.38 percent and 82.41 percent. See id.

Mexico

Cost of Production

Pursuant to section 773(b)(3) of the Act, COP consists of COM; SG&A expenses; financial expenses; and packing expenses. The petitioner relied on its own production experience to calculate the raw material, packing, and freight costs included in the calculation of COM. The petitioner adjusted these inputs to account for known differences between U.S. and Mexican prices and for differences in weights and technologies between the petitioner's U.S. washing machine models and those of the Mexican producers' washing machine models sold in the comparison market and the United States. Inbound freight costs associated with procuring material inputs were calculated based on the petitioner's own experience adjusted for differences in weight between the washing machine models used to calculate COP/CV and the Mexican models.

The petitioner relied on its own labor costs, adjusted for known differences between the U.S. and Mexican hourly compensation rates for electrical equipment, appliance, and component manufacturing in 2007, as reported by the U.S. Bureau of Labor Statistics. The petitioner relied on its own experience to determine the per-unit factory overhead costs (exclusive of labor) associated with the production of washing machines.

The petitioner stated that the washing machine manufacturing processes in Mexico are very similar to its own manufacturing processes, and therefore it is reasonable to estimate the Mexican producers' usage rates based on the usage rates experienced by a U.S. washing machine producer. See Volume I of the petition, at 21.

To determine SG&A expense rates, the petitioner relied on the FY 2010 unconsolidated financial statements of a Mexican producer of washing machines. The petitioner relied on the FY 2010 unconsolidated financial statements of the same producer of washing machines to determine the financial expense rate. Consistent with Department practice, we revised the petitioner's calculation of the financial expense rate to reflect the FY 2010 consolidated financial statements of the Mexican producer's parent company. See Mexican Initiation Checklist for further discussion.

Based upon a comparison of the prices of the foreign like product in the home market to the calculated COP of the most comparable product, we find reasonable grounds to believe or suspect that sales of the foreign like product were made below the COP, within the meaning of section 773(b)(2)(A)(i) of the Act. Accordingly, the Department is initiating a country-wide cost investigation.

Normal Value Based on Constructed Value

Because it alleged sales below cost, pursuant to sections 773(a)(4), 773(b) and 773(e) of the Act, the petitioner calculated NV based on CV. The petitioner calculated CV using the same average COM, SG&A, financial expense, and packing figures used to compute the COP. As discussed above, we revised the financial expenses included in the petitioner's calculation of CV to reflect the financial expenses based on the FY 2010 consolidated financial statements of the Mexican producer's parent company. Because the producer did not incur a profit, the petitioner did not include profit in the calculation of CV.

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of washing machines from Mexico are being, or are likely to be, sold in the United States at less than fair value. Based on a comparison of U.S. price to home market price, as discussed above, the estimated dumping margins are 27.21 percent and 58.62 percent. Based on a comparison of U.S. price to CV, as discussed above, the estimated dumping margins are 62.64 percent and 72.41 percent. See id.

Initiation of Antidumping Investigations

Based upon the examination of the petitions on washing machines from Korea and Mexico and other information reasonably available to the Department, the Department finds that these petitions meet the requirements of section 732 of the Act. Therefore, we are initiating antidumping duty investigations to determine whether imports of washing machines from Korea and Mexico are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act, unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Targeted Dumping Allegations

On December 10, 2008, the Department issued an interim final rule for the purpose of withdrawing 19 CFR 351.414(f) and (g), the regulatory provisions governing the targeted dumping analysis in antidumping duty investigations, and the corresponding regulation governing the deadline for targeted-dumping allegations, 19 CFR 351.301(d)(5). See Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Antidumping Duty Investigations, 73 FR 74930 (December 10, 2008). The Department stated that “{w}ithdrawal will allow the Department to exercise the discretion intended by the statute and, thereby, develop a practice that will allow interested parties to pursue all statutory avenues of relief in this area.” See id., 73 at 74931.

In order to accomplish this objective, if any interested party wishes to make a targeted dumping allegation in any of these investigations pursuant to section 777A(d)(1)(B) of the Act, such allegations are due no later than 45 days before the scheduled date of the country-specific preliminary determination.

Respondent Selection

Korea

The petition identifies three Korean producers that export washing machines to the United States: Samsung Electronics Co., Ltd. (Samsung), LG Electronics, Inc. (LG), and Daewoo Electronics Corporation (Daewoo). There is no information indicating that there are other Korean producers/exporters of the subject merchandise. Accordingly, the Department is selecting Samsung, LG, and Daewoo as mandatory respondents in this investigation pursuant to section 777A(e)(1) of the Act. Interested parties may submit comments regarding respondent selection within five calendar days of publication of this notice. Comments should be filed

electronically using IA ACCESS.

Mexico

For this investigation, the Department intends to select respondents based on CBP data for U.S. imports under the Harmonized Tariff Schedule of the United States (“HTSUS”) number 8450.20.0090. We intend to release the CBP data under Administrative Protective Order (“APO”) to all parties with access to information protected by APO within five days of publication of this Federal Register notice and make our decision regarding respondent selection within 20 days of publication of this notice. The Department invites comments regarding the CBP data and respondent selection within ten days of publication of this Federal Register notice.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Instructions for filing such applications may be found on the Department’s website at <http://ia.ita.doc.gov/apo>.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the petitions and amendments thereto have been provided to the representatives of the Governments of Korea and Mexico. To the extent practicable, we will attempt to provide a copy of the public version of the petitions to each exporter named in the petition, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We have notified the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the petitions were filed, whether there is a reasonable indication that imports of washing machines from

Korea and Mexico materially injure, or threaten material injury to, a U.S. industry. A negative ITC determination with respect to either country would result in the termination of the investigation with respect to that country; see section 703(a)(1) of the Act. Otherwise, these investigations will proceed according to statutory and regulatory time limits.

Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305. On January 22, 2008, the Department published Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures, 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

Any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information. See section 782(b) of the Act. Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all segments of any AD/CVD proceedings initiated on or after March 14, 2011. See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule, 76 FR 7491 (February 10, 2011) (Interim Final Rule) amending 19 CFR 351.303(g)(1) and (2). The formats for the revised certifications are provided at the end of the Interim Final Rule. The Department intends to reject factual submissions in any proceeding segments initiated on or after March 14, 2011, if the submitting party does not comply with the revised certification requirements.

This notice is issued and published pursuant to section 777(i) of the Act and 19 CFR
351.203(c).

Paul Piquado
Assistant Secretary
for Import Administration

January 19, 2012
Date

Appendix I

Scope of the Investigations

The products covered by these investigations are all large residential washers and certain subassemblies thereof from Korea and Mexico.

For purposes of these investigations, the term “large residential washers” denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm).

Also covered are certain subassemblies used in large residential washers, namely: (1) all assembled cabinets designed for use in large residential washers which incorporate, at a minimum: (a) at least three of the six cabinet surfaces; and (b) a bracket; (2) all assembled tubs² designed for use in large residential washers which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets³ designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;⁴ (b) a base; and (c) a drive hub;⁵ and (4) any combination of the foregoing subassemblies.

Excluded from the scope are stacked washer-dryers and commercial washers. The term “stacked washer-dryers” denotes distinct washing and drying machines that are built on a unitary frame and share a common console that controls both the washer and the dryer. The term “commercial washer” denotes an automatic clothes washing machine designed for the “pay per use” market meeting either of the following two definitions:

(1) (a) it contains payment system electronics;⁶ (b) it is configured with an externally mounted steel frame at least six inches high that is designed to house a coin/token operated payment system (whether or not the actual coin/token operated payment system is installed at the time of importation); (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners;⁷ or

(2) (a) it contains payment system electronics; (b) the payment system electronics are enabled (whether or not the payment acceptance device has been installed at the time of importation) such that, in normal operation,⁸ the unit cannot begin a wash cycle without first receiving a signal from a *bona fide* payment acceptance device such as an electronic credit card reader; (c) it

² A “tub” is the part of the washer designed to hold water.

³ A “basket” (sometimes referred to as a “drum”) is the part of the washer designed to hold clothing or other fabrics.

⁴ A “side wrapper” is the cylindrical part of the basket that actually holds the clothing or other fabrics.

⁵ A “drive hub” is the hub at the center of the base that bears the load from the motor.

⁶ “Payment system electronics” denotes a circuit board designed to receive signals from a payment acceptance device and to display payment amount, selected settings, and cycle status. Such electronics also capture cycles and payment history and provide for transmission to a reader.

⁷ A “security fastener” is a screw with a non-standard head that requires a non-standard driver. Examples include those with a pin in the center of the head as a “center pin reject” feature to prevent standard Allen wrenches or Torx drivers from working.

⁸ “Normal operation” refers to the operating mode(s) available to end users (*i.e.*, not a mode designed for testing or repair by a technician).

contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners.

The products subject to these investigations are currently classifiable under subheading 8450.20.0090 of the Harmonized Tariff System of the United States (HTSUS). Products subject to these investigations may also enter under HTSUS subheadings 8450.11.0040, 8450.11.0080, 8450.90.2000, and 8450.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this scope is dispositive.

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